STAND. COM. REP. NO.

Honolulu, Hawaii

March 27, 201

RE: S.B. No. 1158 S.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

## Sir:

Your Committee on Economic Development & Business, to which was referred S.B. No. 1158, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS SPECIAL FUND,"

begs leave to report as follows:

The purpose of this measure is to establish a means by which the Pacific International Space Center for Exploration Systems (PISCES) may receive and expend funds from sources other than the state budget. Specifically, this measure establishes the PISCES Special Fund to:

- Accept funds generated by PISCES from fees, rentals, publications, royalties, and patents;
- (2) Accept gifts, donations, and grants;
- (3) Accept proceeds from revenue bonds issued by the Director of Finance;
- (4) Accept appropriations by the Legislature; and
- (5) Provide monies for use by PISCES for the operation, maintenance, and management of its projects, facilities, services, and for the design and construction of new facilities and the renovation of or addition to existing facilities.

The Councilmember from Council District 3 of the Hawaii County Council, PISCES, Near Earth LLC, and two concerned individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism, and Department of Budget and Finance provided comments.

PISCES was established to attract and retain aerospace investment in the State and bridge the gap between the public and private sector in the development of this industry. However, PISCES does not have a mechanism to receive funds from sources other than the state budget. In the past, PISCES has been forced to forego potential revenue because it could not respond within the performance period of available funding. Your Committee finds that establishing a special fund will enable PISCES to accept gifts, donations, and grants from non-state organizations, including the National Aeronautics and Space Administration, the National Science Foundation, and the various counties, and has the potential to make PISCES a truly self-sufficient operation in the future.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1158, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Economic Development & Business,

DEREK S.K. KAWAKAMI, Chair

## State of Hawaii House of Representatives The Twenty-eighth Legislature



## Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: SB いらも ちりし	Committee Referral: EDB   FIN	Dat	24 MAG	z 1.≤	
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)					
EDB Members	Ayes	Ayes (WR)	Nays	Excused	
1. KAWAKAMI, Derek S.K. (C)			-		
2. KONG, Sam Satoru (VC)					
2. Koro, Sam Satoru (VC)					
3. BROWER, Tom		·			
4. CACHOLA, Romy M.		effects to the second to			
4. CACHOLA, Rolly IV.				V	
5. CHOY, Isaac W.		· · · · · ·		· · ·	
6. DECOITE, Lynn					
U. DECOTTE, Lynn	<b>✓</b>			· .	
7. ITO, Ken		5.			
8. OHNO, Takashi		<u> </u>			
o. Omito, takashi					
9. ONISHI, Richard H.K.			**************************************		
10. TOKIOKA, James Kunane					
10. TORIORA, bannes Runane					
11. TSUJI, Clift	<b>✓</b>				
12. WOODSON, Justin H.		·			
12. WOODSON, Justin II.				· /	
13. MATSUMOTO, Lauren Kealohi	lani	• .			
14 WADD Cone		:			
14. WARD, Gene TOTAL (14)	12		•	2	
The recommendation is:					
If joint r	•	did not support recommendation.			
Vice Chair's or designee's signature:					
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					